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March 1, 2011

TESTIMONY BEFORE THE COMMITTEE ON LABOR AND PUBLIC EMPLOYEES

Re: S. B. - No. 913, An Act Mandating Employers Provide Paid Sick Leave to Employees

Representative Zalaski and other distinguished committee members, I am privileged to represent TLC East, LLC ("TLC") an employer of almost 400 employees in Connecticut and thank you for this opportunity to address S. B. - No. 913. TLC operates seven Applebee's Neighborhood Grill & Bar restaurants in Connecticut.

- T. L. C. urges you not to pass this proposed legislation. This Act would be contrary to the state's efforts to improve an already dreary business climate.
- While T. L. C. now operates seven Applebee's Neighborhood Grill & Bar restaurants in Connecticut, it once had ten. Unfortunately, it was forced to close three of its restaurants due to Connecticut's poor economy. If passed, this Act would further negatively impact T. L. C.'s ability to maintain its current business operations.

There is no question that T. L. C.'s restaurants make a significant contribution to the Connecticut economy. T. L. C. employs 368 hourly and 28 salaried associates in Connecticut and has an annual gross payroll within this state of approximately \$7.7 million. Beyond this, in 2010 it paid \$138,000 in payroll taxes, \$55,000 in real estate taxes and \$31,000 in property taxes.

- T. L C. values its associates and provides an array of benefits, despite the difficult economic times. For instance, T. L. C. is currently able to accommodate the changing needs of its associates by providing flexible work schedules. This has been very beneficial for associates such as students and parents juggling their many responsibilities.
- T. L. C. also offers <u>all</u> of its hourly associates access to a health plan. All hourly associates have the opportunity to enroll in a limited medical benefit plan, regardless of whether they are employed part-time. Moreover, any associate who works thirty or more hours is currently able to enroll in a medical plan through Blue Cross/Blue Shield.

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As a further benefit, all associates who have worked an average of thirty hours per week in the previous calendar year are currently eligible for paid vacation. After six months of employment, all associates may participate in T. L. C.'s 401 (k) benefits plan. T. L. C. also offers its associates discounts on their meals.

The proposed S. B. No. - 913 will have an unduly burdensome effect on T. L. C.'s organization, which is already forced to operate under a very lean margin. The Act will increase costs and, in a downward economy, severely impact its ability to continue its operations in Connecticut. It certainly cannot be the intent of this legislature to jeopardize existent businesses in this crippling economic climate.

Accordingly, T. L. C. Companies urges the legislature not to pass S. B. No. - 913. Thank you for your attention to this important issue. If you have any questions, do not hesitate to contact me.

Glenn A Duhl